



STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
AND GENERAL SERVICES  
P. O. BOX 119  
HONOLULU, HAWAII 96810-0119

FEB 4 1999

DIRECTOR'S OFFICE  
DEPT. OF  
TRANSPORTATION  
FEB 5 9 11 AM '99

COMPTROLLER'S MEMORANDUM NO. 1999-2

TO: Heads of Departments  
ATTN: Fiscal Offices  
SUBJECT: Federal Per Diem Rates (CONUS)

In Revenue Procedure 98-64, the Internal Revenue Service has updated the federal per diem rates established by Revenue Procedure 97-59 for travel within the continental United States (CONUS). These standard rates affect the computation of the taxable portion of per diem allowances paid to State of Hawaii officers and employees. The information in this memorandum therefore needs to be forwarded to the offices in your department responsible for the computation and reporting of the taxable portion of per diem allowances for payroll tax withholding purposes.

The following rates are to be used for computing, under the high-low substantiation method, the taxable portion of per diem for CONUS travel expenses paid or incurred on or after January 1, 1999.

	High-Cost Locality	Low-Cost Locality
Lodging	\$143	\$ 81
Meals and Incidental Expenses	42	34
Total federal rates	\$185	\$115

Revenue Procedure 98-64 has also made some changes in the locations identified in the high-cost category. Attached is an updated listing of high-cost localities; all other CONUS localities are considered low-cost localities under the high-low substantiation method.

  
RAYMOND H. SATO  
State Comptroller

Attachment

*Key city*

Alabama  
Gulf Shores  
(May 1-September 30)

California  
Gualala  
Palo Alto  
San Francisco  
Sunnyvale  
Yosemite Nat'l Park  
(April 1-October 31)

Colorado  
Aspen  
(June 1-March 31)

*County or other defined location*

Baldwin

City limits of Gualala  
City limits of Palo Alto  
San Francisco  
City limits of Sunnyvale  
Mariposa

Pitkin



<i>Key city</i>	<i>County or other defined location</i>
Telluride (November 1-March 31)	San Miguel
Vail	Eagle
District of Columbia Washington, D.C.	District of Columbia
Florida	
Delray Beach (November 1-March 31)	City limits of Delray Beach
Jupiter (January 1-April 30)	City limits of Jupiter
Key West (December 1-April 30)	Monroe
Palm Beach (January 1-April 30)	City limits of Palm Beach
Singer Island (January 1-April 30)	City limits of Singer Island
Idaho	
Sun Valley (April 1-September 30)	City limits of Sun Valley
Illinois	
Chicago	Cook
Lake County	Lake County
Maine	
Bar Harbor	Hancock
Maryland	
Baltimore	Baltimore
Montgomery County	Montgomery County
Ocean City (April 1-August 31)	Worcester
Massachusetts	
Boston	Suffolk
Cambridge	City limits of Cambridge
Martha's Vineyard (June 1-September 30)	Dukes
Michigan	
Charlevoix (July 1-September 30)	Charlevoix
Mackinac Island	Mackinac
Nevada	
Stateline	Douglas
New Jersey	
Cape May (June 1-September 30)	Cape May (except Ocean City)
Ocean City (June 1-August 31)	City limits of Ocean City
Piscataway	City limits of Piscataway
Union County	Union County
New York	
The Bronx	The Bronx
Brooklyn	Brooklyn

Key city

Manhattan  
Queens Borough  
Saratoga Springs  
(August 1-August 31)  
Tarrytown/White Plains  
West Point

North Carolina  
Kill Devil Hills  
(May 1-August 31)

Pennsylvania  
Hershey  
(May 1-October 31)  
Philadelphia  
Rhode Island  
Newport  
(June 1-September 30)

South Carolina  
Hilton Head  
(March 1-August 31)  
Myrtle Beach  
(June 1-September 30)

Utah  
Park City  
(December 1-March 31)

Virginia  
Alexandria  
Arlington  
Fairfax County

Wintergreen  
(June 1-October 31)

Washington  
Seattle

County or other defined location

Manhattan  
Queens  
Saratoga

Westchester  
Orange

Dare

City limits of Hershey

Philadelphia; city of Bala Cynwyd in Montgomery County

Newport

Beaufort

Horry; Myrtle Beach Air Force Base

Summit

City limits of Alexandria

Arlington

Fairfax County (includes the cities of Falls Church and Fairfax)

Nelson

King

1.04 Changes in high-cost localities.

The list of high-cost localities in section 5.03 of this revenue procedure differs from the list of high-cost localities in section 5.03 of Rev. Proc. 97-59.

(1) The following localities (listed by key cities) have been added to the list of high-cost localities: Gulf Shores, Alabama; Sunnyvale, California; Yosemite National Park, California; Deiray Beach, Florida; Jupiter, Florida; Palm Beach, Florida; Singer Island, Florida; Sun Valley, Idaho; Charlevoix, Michigan; Mackinac Island, Michigan; Stateline, Nevada; Piscataway, New Jersey; Union County, New Jersey; Saratoga Springs, New York; West Point, New York; Hershey, Pennsylvania; and Wintergreen, Virginia.

(2) The portion of the year for which the following are high-cost localities (listed by key cities) has been changed: Aspen, Colorado; Telluride, Colorado; Vail, Colorado; Key West, Florida; Bar Harbor, Maine; Ocean City, Maryland; Martha's Vineyard, Massachusetts; Cape May, New Jersey; Ocean City, New Jersey; Kill Devil Hills, North Carolina; Newport, Rhode Island; Hilton Head, South Carolina; and Myrtle Beach, South Carolina.

(3) The following localities (generally listed by key cities) have been removed from the list of high-cost localities: Grand Canyon, Arizona; Los Angeles, California; Napa, California; Santa Clara County, California (except the city limits of Palo Alto and Sunny-

vale); Mendocino County, California (except the city limits of Gualala); Keystone/Silverthorne, Colorado; Lewes, Delaware; Naples, Florida; Du Page County, Illinois; Nashville, Indiana; Harford County, Maryland; Prince George's County, Maryland; St. Michaels, Maryland; Middlesex County, Massachusetts (except the city limits of Cambridge); Nantucket, Massachusetts; Incline Village, Nevada; Hanover, New Hampshire; Parsippany/Dover, New Jersey; Santa Fe, New Mexico; Nassau County, New York; Staten Island Borough, New York; Suffolk County, New York; Block Island, Rhode Island; Loudoun County, Virginia; Friday Harbor, Washington; and Jackson, Wyoming.